GOVERNMENT OF INDIA
CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:4154
ANSWERED ON:18.08.2000
EDIBLE OIL INDUSTRY
JASWANT SINGH BISHNOI

Will the Minister of CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the edible oil industry has been badly affected due to import policy of the Government;

(b) if so, the details thereof;

(c) whether the Government are formulating any scheme for the revival of the edible oil industry; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD)

(a), (b), (c) & (d) : There have been representations from the edible oil industry about the problems being faced by them because of the large import of edible oils.

Government has reviewed the edible oil situation in depth and has taken a number of measures to improve the situation. In order to support the domestic processing industry in terms of better capacity utilization and value addition within the country, processors of edible oils and vanaspati have been allowed to import crude edible oils at concessional rate of duty. With effect from 12-06-2000, the duty on crude edible oils has been raised from 15% (basic) to 25% (basic). The duty on refined oils has been raised from 25% (basic) to 35% (basic). Duty on other oils has been raised to 45% (basic). Further, in order to improve the marketability of indigenous edible oils and ensure better return to the farmers for their produce, the use of indigenous oils upto a minimum of 25% of the oil mix in the manufacture of vanaspati has been made mandatory. Use of expeller mustard oil upto 30% in vanaspati has also been allowed.